
Document:O.C.G.A. § 33-34-5.1

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[Official Code of Georgia Annotated](#) [TITLE 33 Insurance \(Chs. 1 – 66\)](#)
[CHAPTER 34 Motor Vehicle Accident Reparations \(§§ 33-34-1 – 33-34-9\)](#)

33-34-5.1. Self-insurers.

(a)

(1) Except as otherwise provided in paragraphs (2) and (3) of this subsection, any person in whose name one or more vehicles are registered in this state may qualify as a self-insurer by obtaining a certificate of self-insurance from the Commissioner. The Commissioner may, in his or her discretion, upon the application of such person, issue such a certificate when he or she is satisfied that such person has and will continue to have the ability to provide coverages, benefits, and claims-handling procedures substantially equivalent to those afforded by a policy of vehicle insurance in compliance with this chapter.

(2) Except as otherwise provided in paragraph (3) of this subsection with regard to taxicabs, any person who operates one or more vehicles for hire which transport passengers and in whose name a certificate of title has been issued pursuant to Chapter 3 of Title 40 on one or more such vehicles may qualify as a self-insurer by obtaining a certificate of self-insurance from the Commissioner. The Commissioner may, in his or her discretion, upon the application of such person, issue such a certificate when he or she is satisfied that such person has and will continue to have the ability to provide coverages, benefits, and claims-handling procedures substantially equivalent to those afforded by a policy of vehicle insurance in compliance with this chapter.

(3)

(A) As used in this paragraph, the term “taxicab” means a motor vehicle used to transport passengers for a fare and which is fitted with a taximeter to compute such fare.

(B) Any person who operates 25 or more taxicabs and in whose name such vehicles are registered may qualify as a self-insurer by obtaining a certificate of self-insurance from the Commissioner. The Commissioner may, in his or her discretion, upon the application of such person, issue such a certificate when he or she is satisfied that such person has and will continue to have the ability to provide coverages, benefits, and claims-handling procedures substantially equivalent to those afforded by a policy of vehicle insurance in compliance with this chapter. A person who operates fewer than 25 taxicabs and in whose name such vehicles are registered shall not be allowed to qualify as a self-insurer with regard to such vehicles.

(C) To qualify for a certificate of self-insurance under subparagraph (B) of this paragraph, a person shall maintain with the Commissioner a cash deposit of at least \$100,000.00 and shall also possess and thereafter maintain an additional amount of at least \$300,000.00 which shall be invested in the types of assets described in subparagraphs (A) through (H) of paragraph (3) of Code Section 33-11-5 and Code Sections 33-11-10, 33-11-14.1, 33-11-20, 33-11-21, and 33-11-25, which relate to various types of authorized investments for insurers.

(D) Each year, a person operating as a self-insurer pursuant to this paragraph shall submit to the Commissioner, on forms prescribed by the Commissioner, reports of the business affairs and operations of the self-insurer in the same manner as required of insurers pursuant to Code Section 33-3-21. A person operating as a self-insurer pursuant to this paragraph shall also submit to the Commissioner an annual financial statement audited by an independent certified public accountant. The value of any asset listed in any report required by this subparagraph shall be limited to the equity interest of the person operating as a self-insurer pursuant to this paragraph.

(E) Any person operating as a self-insurer pursuant to this paragraph shall be subject to examination and proceedings in the same manner applicable to insurers transacting motor vehicle insurance in this state as provided in Chapter 2 of this title and shall maintain reserves for losses in the same manner as insurers transacting motor vehicle insurance as provided in Chapter 10 of this title.

(F) Until December 31, 2003, the provisions of subparagraph (C) of this paragraph shall not apply to taxicab self-insurers which were located in counties with populations of 400,000 or less according to the United States decennial census of 1990 or any future such census and were licensed by the Commissioner on December 31, 1998.

(b)

(1) In addition to the persons described in subsection (a) of this Code section, a religious organization that meets the requirements of this subsection may qualify as a self-insurer for motor vehicle liability insurance for all motor vehicles registered in this state that are owned or leased by members of such religious organization that obtains a certificate from the Commissioner. The Commissioner may, in his or her discretion, upon the application of such religious organization, issue a certificate when he or she is satisfied that such religious organization meets the qualifications of this subsection and has and will continue to have the ability to provide coverages, benefits, and claims-handling procedures substantially equivalent to those afforded by a policy of vehicle insurance in compliance with this chapter.

(2) In addition to any other rules or regulations established by the Commissioner, a religious organization seeking to obtain a certificate under the provisions of this subsection shall meet the following qualifications:

(A) The religious organization shall be a recognized sect or division of a recognized religious group having established tenets or teachings and shall have remained in existence continuously since December 31, 1950, and whose members hold a common belief in mutual financial assistance in time of need;

(B) The religious organization shall be a recognized sect or division of a religious group which has been a recognized religious group for purposes of exemption from federal social security and medicare taxes since December 31, 1970; and

(C) The religious organization has filed with the Commissioner the required minimum security. The required minimum security shall in no event be less than the following amounts:

| Number of Vehicles | Required Security |
|--------------------|-------------------|
| 1-50 | \$150,000.00 |
| 51-100 | \$200,000.00 |
| 101-150 | \$300,000.00 |
| 151-200 | \$350,000.00 |
| 201-250 | \$400,000.00 |
| 251-350 | \$500,000.00 |
| 351 or more | \$600,000.00 |

(3) The only forms of acceptable required minimum security shall be rendered in one or more of the following:

(A) United States currency placed as collateral with the Commissioner;

(B) Irrevocable letters of credit valid for a period of at least 24 months and renewable every 12 months and issued by a financial institution chartered by an agency of this state or the federal government; or

(C) Bonds or other negotiable obligations issued by this state, or a subdivision or instrumentality of this state, if not in default as to principal or interest.

(4) A certificate issued pursuant to this subsection shall be valid for a period of 12 months and may be renewed upon the religious organization's filing of an appropriate application, including a report of all claims incurred during the preceding calendar year, the number of covered motor vehicles, and proof that the organization continues to meet the requirements of this subsection. If, based upon the number of claims incurred by the organization during the preceding calendar year or the number of covered motor vehicles, the Commissioner determines that the required minimum security under this subsection is inadequate, the Commissioner may require additional minimum security or reports, or both.

(c) Upon a determination that any self-insurer, including a religious organization granted a certificate pursuant to subsection (b) of this Code section, has failed to pay on any valid claim within 30 days of its submission or has failed to satisfy any judgment within 30 days after such judgment shall become final, the Commissioner shall revoke such insurer's certificate. The Commissioner may on reasonable grounds cancel a certificate of self-insurance, including a certificate granted pursuant to subsection (b) of this Code section, and is authorized to promulgate rules and regulations prescribing such grounds for the cancellation of such certificates.

History

Ga. L. 1951, p. 565, § 16; Ga. L. 1956, p. 543, § 20; Ga. L. 1963, p. 593, § 10; Code 1933, § 68C-602, enacted by Ga. L. 1977, p. 1014, § 1; Code 1981, § 40-9-101; Ga. L. 1985, p. 989, § 1; Ga. L. 1988, p. 1488, § 1; Ga. L. 1994, p. 1931, § 2; Ga. L. 1995, p. 1060, § 1; Ga. L. 1995, p. 1348, § 9; Ga. L. 1996, p. 1079, § 2; Ga. L. 1997, p. 1042, § 2; Ga. L. 1998, p. 1205, § 1; Ga. L. 1999, p. 560, § 1A; Ga. L. 2000, p. 1246, § 15; Code 1981, § 33-34-

5.1, as redesignated by Ga. L. 2000, p. 1246, § 16; Ga. L. 2010, p. 100, § 1/HB 656; Ga. L. 2011, p. 752, § 33/HB 142; Ga. L. 2019, p. 386, § 113/SB 133.

▼ Annotations

Notes

Amendments.

The 2019 amendment, effective July 1, 2019, in subparagraph (a)(3)(C), substituted "To" for "Except as otherwise provided in subparagraph (D) of this paragraph, on or after July 1, 1994, to" at the beginning, inserted "of paragraph (3)" in the middle; deleted former subparagraph (a)(3)(D), which read: "Any person operating as a self-insurer pursuant to a certificate of self-insurance issued prior to July 1, 1994, shall be allowed a transition period in which to meet the requirements of subparagraph (C) of this paragraph; provided, however, that, except as provided in subparagraph (G) of this paragraph, on and after December 31, 1995, all self-insurers under this paragraph shall comply fully with the requirements of subparagraph (C) of this paragraph. The Commissioner shall promulgate rules and regulations relative to the transition period for compliance provided in this subparagraph."; redesignated former subparagraphs (a)(3)(E) through (a)(3)(G) as present subparagraphs (a)(3)(D) through (a)(3)(F), respectively; and substituted "Each year," for "Beginning July 1, 1994, and each year thereafter," at the beginning of subparagraph (a)(3)(D).

Code Commission notes.

Pursuant to Code Section 28-9-5, in 1988, "claims-handling" was hyphenated in paragraphs (a)(1) and (a)(2).

Pursuant to Code Section 28-9-5, in 1996, "that, except" was substituted for "that except" in the first sentence of subparagraph (a)(3)(D) and "(C)" was substituted for "(c)" in subparagraph (a)(3)(G).

Editor's notes.

Ga. L. 2000, p. 1246, §§ 15 and 16, effective July 1, 2000, amended and then redesignated as this Code section the former provisions of Code Section 40-9-101.

JUDICIAL DECISIONS

Equivalent of insurance policy. —

Plan and certificate of self-insurance serves as substantial equivalent of an insurance "policy" for the purposes of O.C.G.A. § 33-7-11. Unless the plan of self-insurance submitted to the Commissioner of Public Safety rejects the minimum uninsured motorist

coverage in writing, such coverage will be implied as contained in the plan. *Twyman v. Robinson*, 255 Ga. 711, 342 S.E.2d 313, 1986 Ga. LEXIS 895 (1986).

Co-owner is not co-insurer. —

Despite the fact that the driver was also the co-owner of the cab, the driver did not necessarily occupy the status of a co-self-insurer and the driver could occupy the status of an insured under the other co-owner's plan of self-insurance. *Oluyole Pius Olukoya v. American Ass'n of Cab Cos.*, 202 Ga. App. 251, 414 S.E.2d 275, 1991 Ga. App. LEXIS 1750 (1991), cert. denied, No. S92C0406, 1992 Ga. LEXIS 105 (Ga. Feb. 4, 1992).

Only one co-owner as self-insurer. —

Nothing in paragraph (a)(2) of O.C.G.A. § 33-34-5.1 prohibits only one of the joint owners of a vehicle from seeking to secure a certificate of self-insurance solely in one's name or compels all of the joint owners collectively to seek to secure a certificate of self-insurance in all the owners' names. *Oluyole Pius Olukoya v. American Ass'n of Cab Cos.*, 202 Ga. App. 251, 414 S.E.2d 275, 1991 Ga. App. LEXIS 1750 (1991), cert. denied, No. S92C0406, 1992 Ga. LEXIS 105 (Ga. Feb. 4, 1992).

Nothing in paragraph (a)(2) of O.C.G.A. § 33-34-5.1 prohibits the commissioner from issuing a certificate of self-insurance to only one of the joint owners of a vehicle or compels the commissioner to issue a certificate of self-insurance to all of the joint owners collectively. *Oluyole Pius Olukoya v. American Ass'n of Cab Cos.*, 202 Ga. App. 251, 414 S.E.2d 275, 1991 Ga. App. LEXIS 1750 (1991), cert. denied, No. S92C0406, 1992 Ga. LEXIS 105 (Ga. Feb. 4, 1992).

Option to insure only for minimum. —

Self-insured who complies with the self-insurance law and O.C.G.A. § 33-34-5.1 is not financially irresponsible but rather is meeting the state's required minimum, and the self-insurer does not become financially irresponsible just because the self-insurer chooses the state-permitted option not to insure above the minimum. *Nationwide Gen. Ins. Co. v. Parnham*, 182 Ga. App. 823, 357 S.E.2d 139, 1987 Ga. App. LEXIS 1823 (1987).

Defendant met requirements for self-insurer. —

When the plaintiff's cab was registered in the names of both the plaintiff and the defendant, the defendant met the requirements for a self-insurer under the law in effect at the relevant time. *Proctor v. Rapid Group, Inc.*, 203 Ga. App. 232, 416 S.E.2d 774, 1992 Ga. App. LEXIS 478 (1992), cert. denied, No. S92C0772, 1992 Ga. LEXIS 423 (Ga. May 27, 1992).

Illegal marketing of self-insurance plan. —

Self-insured taxicab association's provision of insurance coverage to third parties involving the conveyance by taxicab owners of the title in the owners' vehicles jointly to the association constituted the illegal sale or transaction of insurance without a license. *Olukoya v. American Ass'n of Cab Cos.*, 219 Ga. App. 508, 465 S.E.2d 715, 1995 Ga. App. LEXIS 1081 (1995), cert. denied, No. S96C0658, 1996 Ga. LEXIS 613 (Ga. Apr. 12, 1996).

Exclusion in a car rental agreement excluding liability coverage for violations of a use restriction pertaining to driving under the influence was invalid to the extent of the mandatory minimum liability coverage. *Ryan v. Boyd*, 911 F. Supp. 524, 1996 U.S. Dist. LEXIS 490 (M.D. Ga. 1996).

Exclusions from a policy of self-insurance contained in a car rental agreement were not required to be listed in the car rental agency's self-insurance plan filed with the insurance commissioner under O.C.G.A. § 33-34-5.1(a)(1). *Hix v. Hertz Corp.*, 307 Ga. App. 369, 705 S.E.2d 219, 2010 Ga. App. LEXIS 1086 (2010).

Declaratory judgment as to whether rental company was self-insurer was improper. —

In a widow's wrongful death action against rental truck companies, the widow's declaratory judgment claim under O.C.G.A. § 9-4-2 seeking a determination that the companies did not qualify as self-insurers under O.C.G.A. §§ 33-34-2(4) and 33-34-5.1 and, thus, could be liable for damages under O.C.G.A. § 33-34-3, should have been dismissed because the widow had no direct relationship with the companies, the widow had only a hypothetical and generalized economic interest, and the widow was not in a position of uncertainty. *U-Haul Co. of Arizona v. Rutland*, 348 Ga. App. 738, 824 S.E.2d 644, 2019 Ga. App. LEXIS 87 (2019).

Research References & Practice Aids

Law reviews.

For article surveying developments in Georgia insurance law from mid-1980 through mid-1981, see 33 *Mercer L. Rev.* 143 (1981).

RESEARCH REFERENCES

ALR.

Automobile liability insurance, 13 A.L.R. 135; 19 A.L.R. 879; 23 A.L.R. 1472; 28 A.L.R. 1301; 41 A.L.R. 507.

Applicability of uninsured motorist statutes to self-insurers, 27 A.L.R.4th 1266.

Hierarchy Notes:

O.C.G.A. Title 33

O.C.G.A. Title 33, Ch. 34



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